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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 002076

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TAGS: PGOV KDEM PHUM VE SUBJECT: CHAVEZ' NEW PARTY: A LABORIOUS BIRTH

REF: CARACAS 001776 AND PREVIOUS

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Classified By: ACTING POLITICAL COUNSELOR DANIEL LAWTON, REASONS 1.4 (B) AND (D)

11. (C) Summary. President Chavez' United Socialist Party of Venezuela (PSUV) is finally scheduled to hold its Founding Party Congress on November 2 after repeated postponements. The PSUV will not establish party policies or select leaders, however, until early 2008, well after the referendum on Chavez' proposed constitutional changes in early December. PSUV organizers claim 1.2 million of its purported 5.6 million members are active militants, but Embassy's pro-government contacts report that grassroots PSUV battalion meetings have so far been generally poorly attended. Despite its shaky start, the PSUV enjoys the open -- and generous support -- of the Bolivarian Republic of Venezuela (BRV). While the party is still a far cry from Chavez' stated goal of being Latin America's most powerful political party, PSUV membership can help assure voters access to government jobs and services, and it is therefore likely to be a formidable electoral machine. End Summary.

Moving Toward the First Party Congress

- 12. (SBU) Some 14,000 United Socialist Party of Venezuela (PSUV) battalions elected spokespersons, as well as local leaders in charge of ideology, organization and logistics, propaganda, social activities, and territorial defense on September 29. These battalion leaders in turn elected 1635 delegates October 20 to attend the party's Founding Congress, slated to start November 2 and run until February 4, 2008. President Chavez is scheduled to speak to the Founding Congress delegates in a Caracas auditorium the evening of October 26.
- 13. (SBU) According to local media reporting, almost three-quarters of the PSUV Congress delegates are male and 35% of the delegates are less than 25 years old. The Founding Congress is supposed to determine the "ideological and organizational soul" of the new, single pro-government party. It will select transitory leaders, but PSUV organizers postponed the formal election of party leaders until early in 2008. The delay is widely believed to be part of a government effort to stem internal party fissures prior to the referendum on Chavez' proposed constitutional changes in early December.

- 14. (C) PSUV promoters claim that 5.6 million of Venezuela's over 16 million voters joined the new party and that 1.2 million PSUV "aspiring militants" met weekly over the last few months to help launch the party. Our pro-government contacts, however, tell us that the party's battalion meetings have failed to draw widespread support. National Assembly member Elvis Hidrobo Amoroso of Aragua State told PolCouns October 23 that more senior BRV officials asked him to work on the formation of the PSUV and that he is dutifully complying. Hidrobo surprisingly added that he thought the PSUV was a "stupid idea of Chavez" and that the PSUV is failing to generate deep grass-roots support.
- 15. (C) Merida State Assembly representative Adelis Leon Guevara told Poloff October 5 that the PSUV's Saturday battalion meetings in that western state attracted "mainly government bureaucrats," whom he said participated to protect their jobs. The 67-year-old Leon, a founding member of the Fifth Republic Movement in Merida, said he refused to join the PSUV as a result of growing disenchantment with Chavez' concentration of powers. Bolivar State Assembly representative Alexis Romero told PolCouns October 24 that he joined the PSUV, but only because he feared BRV recriminations if he did not. Romero said PSUV battalion meetings in Bolivar State attract less than five percent of their registered members.
- 16. (SBU) National Assembly member Iris Varela publicly criticized the PSUV for allowing public and elected officials to serve as local PSUV battalion leaders. She and National Assembly member Luis Tascon have also criticized the central government for facilitating the selection of opportunistic battalion leaders rather than more ideologically committed

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Chavistas (Reftel). Falcon State Governor Jesus Montilla, Vargas State Governor Antonio Rodriguez San Juan, as well as several National Assembly members and at least three mayors were elected to the PSUV party congress. PSUV National Promotion Commission Member and National Assembly Second Vice President Roberto Hernandez told the local media October 23 that PSUV would likely ask these officials to step down from the PSUV Founding Congress.

## State Support

17. (C) Despite lingering organizational problems, PSUV enjoys considerable state advantages, particularly the open support of government media sources. National Electoral Council (CNE) rector Vicente Diaz publicly urged his colleagues in early October to approve an administrative investigation of President Chavez for actively promoting PSUV membership and activities during state events. The CNE did not accede to Diaz' request. CNE officials also recently confirmed that the PSUV has not reimbursed the electoral body for its extensive logistical support in supervising the formal inscription of PSUV members in July and August. The PSUV is also asking its members to deposit their monthly donations into two government-run banks.

Comment

18. (C) Despite exaggerated claims from BRV officials of the PSUV's success, the formation of President Chavez' single pro-government party has been continuously plagued by organizational difficulties and internal differences. Three small, but prominent, pro-Chavez parties, the Communist Party, Patria Para Todos, and Podemos, continue to spurn

joining the PSUV, and Podemos is vocally opposing elements of Chavez' constitutional package from within the National Assembly. Nevertheless, membership in the PSUV helps assure Venezuelans of access to government jobs, contracts, and services. Conversely, strapped opposition parties have few concrete benefits to offer prospective voters. Consequently, the PSUV is likely to retain significant breadth of support, even as it faces real challenges generating depth of support. Like its MVR predecessor, the PSUV still represents a potentially formidable electoral machine.

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